

SPEECH

—OF—

Hon. James G. Blaine,

U. S. SENATOR FROM MAINE,

DELIVERED AT

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Mr. Chairman, Ladies and Gentlemen of Illinois:

The people of the United States are engaged in a vast and serious political battle on the question of the currency. There have been skirmishes in the past; there have been some preliminary struggles, but the actual fight has begun in 1878, between the political parties in this country. The question is to determine whether the people of the United States desire hereafter to have an honest and valuable currency, suitable for their own markets, and for the markets of the world, or whether they desire to have a political currency, to be voted up or down, to be contracted or expanded, according to the political machinery of the party that happens for the time being to have a majority in Congress.

Now, what I maintain, and the fact that I desire to impress upon you, while you kindly give me your attention, is, that the people of the United States, and especially that portion of the people of the United States that inhabit

THE GREAT WESTERN AGRICULTURAL REGION, cannot afford to deal in any other money, than the money of the world. We do not want, in this country, Republican money; we do not want, Democratic money; we want the constitutional money for the people, the same for all sections, for all classes, for the rich and for the poor, for the high and for the low, for the native and for the adopted, the same this year and the same next year. And the question to be determined by the vote of the people of the United States is whether they will run on that kind of a currency, or plunge into that sea of

IRREDEEMABLE NONSENSE called "flat paper" which promises to pay nothing—at no time, at no place, to nobody. I submit to you, fellow-citizens, the case before you to-day. It is not to determine whether we will go forward and have what is technically called resumption of specie payments in this country; but the question is whether we will go back and abandon specie payments because practically the United States are on a specie basis to-day. I see many men here with gray hairs; I see men here whose memory of affairs covers two-score at least, and I submit to them whether before the war, or during the war, or at any time after the war, in their experience as business men, they ever knew, in Illinois, paper currency circulating as money among the people to be as near absolute equality with the coin as the seven hundred millions of paper currency that circulates in the United States is to-day. Never. The difference between the coin dollar and the paper dollar is reduced to

THE MERE FRACTION OF A CENT,

and when you come to see the real difference what has the modern Greenback National party got for its foundation corner stone? Just three-eighths of one per cent. That is the whole agitation, and the men who are for honest money have ninety-nine and five-eighths cents in their favor. We are now in the first few days of October, and by the first of January that mere fraction of a cent will disappear. I appeal to those who have known it longest, and known it best, for the truth of this assertion; and having, as I say, by a series of wise measures based upon a series of bitter experiences, brought the currency of this country until it is at practical equality with coin, and being just ready to welcome coin into circulation,—waiting for the \$100,000,000 or more to leap into the channels of circulation,—the question is now whether we will keep the paper so and welcome the coin, or whether we will go backward and expel the coin, and go once more on to the sea of irredeemable

promises and all the evils attendant upon it. I turn the issue upon the gentlemen who talk about resumption. They come to me and picture the hardships of resumption. Why, the hardships that are connected with it have been gone through with;

WE HAVE MADE THE SACRIFICES;

We have gone clear through with them; and we have gone until we are now on Pisgah top, looking down into the promised land. It is inviting, serene, cheerful, and prosperous; and just as we are going to enter it and enjoy its fruits, up steps the active Greenback party and says, "Don't take a step in that direction. Come back and wander with us forty years more in the financial wilderness." [Laughter and cheers.] We do not propose to do it.

Let us trace historically the great facts that have brought us to where we now stand. You can all in this vast assemblage (except the young ladies who are present) [Laughter] remember the outbreak of the War. When the war broke upon this country seventeen years ago last spring the country was in bad condition to meet it, and the first thing that Mr. Lincoln did after calling for the 75,000 men from the States, was to assemble Congress, which met on the 4th of July, 1861, for the purpose of providing men and means to prosecute the war for the suppression of the rebellion. Fortunately the men provided themselves. All that was left for Congress to do was

TO PROVIDE THE MEANS.

\$250,000,000 was authorized; on the faith and credit of the United States, and for ready cash the secretary of the treasury was authorized to issue \$50,000,000 of demand notes to circulate as money, and they were issued. During the autumn the military situation was not encouraging, we met reverses instead of victories, and afterward complications arose with England, growing out of the arrest of Slidell and Mason. With these troubles at home and abroad, the bankers suspended specie payment, and the government of the United States followed suit the next day. And when Congress met they found \$3,000,000 had gone to protest in a single day, at the sub-treasury in New York. We had nothing in the Treasury of the United States

BUT EMPTINESS,

and when Mr. Lincoln called Congress to assemble on the 4th day of July, 1861, he called it to confront a great rebellion, and it found a Treasury which had absolutely been left without any resources whatever; and the first thing he did was to recommend a loan, and a loan of \$250,000,000 of United States demand notes was authorized. These notes were put into circulation. You remember them. They were among the people, and in the course of five months, owing to the unfortunate military situation and the trouble precipitated upon this country by a threatened rupture with England, the result was that the notes went to protest, and when the Congress met after the holidays of 1861, in January, 1862, they met again with an empty Treasury. They were compelled then to resort to that great measure which was the foundation of the financial success of the war,—the measure which authorized the issue of \$150,000,000 of

LEGAL-TENDER PAPER.

Before the year was out another \$150,000,000 was called for and voted, and before the year was out that \$150,000,000 was gone and the government treasury again empty.

When Congress met again in 1863 the military situation had improved, but the financial situation was embarrassing. The military situation

was improved because Gettysburg had been fought and won in the East, and Vicksburg and Chattanooga in the West, and, we thought we were bringing the war to the end, and when Congress met in December, 1863, they met with this \$300,000,000 of money in circulation, with its great depreciation in its value. They

MET AS NO OTHER CONGRESS

in the world ever met, with duties devolving upon them of such magnitude as to make one shudder to look back upon them. They met with an impending campaign, whose expenditures were more in a single year than the entire European coalition of the armies to put down Napoleon I fifty years ago.

When they met they had a list of estimates from the secretary of the treasury for the expense for the next year amounting to \$1,007,000,000?

We could not borrow one single dollar in the mercantile and financial world. Well, there was a very extraordinary crisis; there were forty millions unpaid that were issued, lying on the desk of the secretary of the treasury. The army had thirty millions of pay due to it, the treasury had not a cent in it. Therefore, the situation, as I have said, was critical. We could not issue paper money without destroying our ability to borrow, and yet we were compelled that day and then to have some ready cash in the treasury, and the result was just as it always will be when there are two conflicting and difficult positions. There was a compromise; that compromise was this:

WE APPEALED TO THE WORLD

to loan us money, all the world stood ready to loan us money, but yet all the financial world on this side of the Atlantic, and on the other side, said, "We cannot afford to loan money to the Government unless we are sure that we will get money back, and if you persist in destroying your currency we cannot afford to invest in your bonds," and the result was that Congress, considering the gravity of the situation, understanding the magnitude of the crisis, put into the statutes of the United States this great compromise. They said, "Go on," to the Secretary of the Treasury, "borrow all the money you can, and assure all the men who subscribe to the government loan that we have made this declaration; that, while we give you \$100,000,000 additional greenbacks to be used at once in paying off the army, and while we give you \$50,000,000 additional greenbacks for the redemption of the temporary loan, we want it to be put upon the statutes of the United States as follows:

"Provided, that the total amount of United States notes (these greenbacks) issued and to be issued shall not exceed four hundred millions of dollars."

Now that was not a Republican measure, that was not a measure carried as a party measure. Every Democratic Senator, and every Republican Senator, every Democratic Representative and every Republican Representative in the Congress of the United States voted for that pledge, and on that pledge millions and thousands of millions of dollars was borrowed, on that pledge was obtained the money that was conveyed to the armies of Grant in the East, and Sherman in the West, that closed the war for the Union. On that pledge was obtained the money which crushed the rebellion; on that pledge was won that great victory which enables us to meet here to-day as free citizens of Illinois and as free citizens of the United States of America.

Mr. Chairman, I say if it were a great hardship to keep that pledge, I say if it were something that we have to share, is there a man in the land that would fail to make the sacrifice? I say the

people of the United States have no more right

TO VIOLATE THAT PLEDGE

than they have to take from you the personal rights guaranteed to you in the Constitution of the United States. Not one particle. But, Mr. Chairman, I do not wish any gentleman to deduce by the remotest possible implications, that I intend to convey the idea that if we were not bound by that pledge—nay, if that pledge had never been made—if it did not exist—I do not wish any gentleman to infer that I mean to convey to him the idea that by any possibility it would be a wise and judicious step on the part of the people of the United States to-day to resolve themselves into a committee of the Whole to begin forthwith to issue paper money. I do not think under any possible circumstances it can be a wise thing for the government of the United States to take into its hands the issuing of paper money. Why? If you will ask me one question I'll answer you with another, as I am a Yankee, and have the right both to ask questions and to answer questions by asking additional ones. I have asked a great many men, and I never yet have got an answer to this question, and I put the question to you, to take home with you to-night, to sleep on it, to reflect on it. My question is this: If you propose now to have the government issue a large amount of paper money,

HOW DO YOU PROPOSE TO LIMIT,

or control, or regulate the amount of it? How do you propose to regulate, or limit, or control the amount of circulation? and its value? Where do you apply the brakes?

You come back to the one answer, "Why you leave it to Congress;" that is the way the able and highly esteemed Senator from Ohio, Thurman of the Democratic party, in an able discussion of the question was obliged to leave it.

I read his speech all through. I thought if any man was able to tell me, or tell you, how that could be regulated, that Senator Thurman was the man, and I read him with great interest for that particular point, and I found when he came to that portion of the subject, he did like the little boy in spelling school when he reached a hard word—"skipped."

HE DIDN'T TOUCH IT,

and the question reverts right to this point necessarily, that if the United States go into the business of issuing paper money, then you leave it with Congress, when, how and how much? I have very great respect for Congress. I do not pretend to know any more about the financial question than most persons. I do know more about Congress than those who have not served. I have been in one branch sixteen years, and I have a high respect for Congress, but such would be the necessary results of such conditions, that in my judgment to-night, leave it to the County Commissioners of McLean county to determine how much currency we should have in the county, and you would be a great deal safer in that event, for they would not be looking out for the next presidency and vice-presidency. You cannot throw that question into Congress without making trouble with the finances of the country.

"Going to have Congress do it;" that is, you are not to know how much the circulating medium in this country is until Congress meets. You are not to know the price of wheat, or corn, or beef, or any product, until Congress tells you what shall be the bulk of the circulating medium. You cannot make any agreement to sell, or receive, or accept a single commodity under this system of finances eight months ahead until the impending session of Congress arrives. You cannot tell any more than you could tell the state of the weather a year hence what would be the

Handwritten note in right margin:
 This paper is
 worth if necessary
 to make the
 United States

price of pork, and beef, and corn, eight months thereafter.

IT WOULD STOP THE WHEELS OF BUSINESS

of the country as absolutely as if you were smitten with a pestilence in your great and wealthy State when Congress issued Greenbacks during the war they had no regard for the laws of trade. They had regard only for the wants of the government, and the demands of the situation in a military sense, and they issued greenbacks in response to that demand, and not in response to the demand of trade, but in violation of the demand of trade. They embarrassed trade. The government of the United States at that time was in a struggle for life. They could not stop to consult the laws of trade. The question was whether we were to have a government or not.

When we issued

THE FIRST VOLUME OF GREENBACKS,

\$150,000,000 in amount, it was on the 25th of February, 1862. I would be glad if every gentleman who was not familiar with this fact would carry it home in his memory. I say that \$150,000,000 on the 25th of February, 1862, were authorized to be issued. On the first day of June, 1862, gold was 3 per cent. premium,—\$150,000,000 was worth \$147,000,000 in gold coin. Two years afterwards we had \$400,000,000 of greenbacks out and gold was worth \$2.85, and the \$400,000,000 of greenbacks were worth \$145,000,000 in coin. In two years we had nearly trebled the amount of greenbacks, and their value was \$2,000,000 less in gold coin, or nearly one-third. [Applause.] After this our \$100,000,000 limit was put on. If we had kept on doing so we would have got down to the old Continental idea, when it took \$4.500 to ferry one across the stream and \$5,000 to get his breakfast on the other side.

A PRACTICAL ILLUSTRATION.

I have here in my hands now five kinds of money, or rather two kinds of money and three kinds of currency. Now, there is money. This is actual money [holding up a coin]. This money would stand alone. It don't ask any help from you. That money is the money which the Toledo platform, the confession of faith on which the Greenbackers rest, on which I believe my friend Stevenson, of whom I have the kindest memories, is running for Congress in this district, says shall not be accepted in this country as legal tender. They say there shall be one uniform paper money—legal tender, and only that. They exclude the idea of either of these kinds of money being issued, and yet if you would take one of the delegates that went to the Toledo convention just on his return from that declaration, and get him behind the door, and offer him \$1,000 that you owed him, in greenbacks in this hand or gold in that, he would grab the gold so quick it would make your hair stand on end. They say this shall not be money. How long has that been money, will any gentlemen tell me here?—how long has that been money! Ever since the Government—always—it will be forever more. There has never been a time when both have not been money. Take gold and take your Bible—and the Bible is a good book; it is one of the best of books on finance that I know of, and if you don't read it for the sake of religion, read it for the sake of finances. Turn back to the book of Genesis and you will find that Moses, in the first chapter of Genesis, seemed to be in a little hurry, and didn't refer to gold, but he got it in the second chapter. He declared in the second chapter of Genesis that the gold of the land of Havilah was good.

I AGREE WITH MOSES.

And the gold of the land of Havilah was not one particle better, but just the same as the gold of

the land of California. That money has been good ever since. Why, the Greenbackers, gentleman, will tell you that its value is derived from the stamp; that just as you make paper into money so you make gold and both derive its value from the Government stamp, and they are industriously inculcating that idea.

Do not let us deviate in the discussion of this question, and confuse the currency with the money. When John Randolph had a quarrel with the United States, he went to the treasury with his currency, and the cashier said: "What will you have it in?" "Money," he said. The cashier did not exactly understand him, and said: "What do you want it in, Mr. Randolph?" "I want money," Then the gentleman began to get through his wool that he wanted coin; that is the only money recognized by the United States. You may take a \$20 gold coin to a blacksmith shop, and hammer it until it is large enough to cover the whole shop, until every vestige of the stamp is obliterated, and still that will be worth \$20.

Let me read a little history; let me tell you

A GREAT HISTORICAL INSTANCE.

When British India was invaded by Lord Clyde in 1768 at the battle of Placey, the treasuries of that great Pagan government were thrown open to the British, and probably one of the largest piles of coin money that was ever exposed to human view was captured there. In that pile of money there were coins of the ancient Empire; there were coins of Macedonia under Philip; there were coins that bore the stamp of Alexander the Great; there were coins of the mediæval Republics of Italy; there were coins of Venice in the thirteenth century. They were lying there by the millions and tens of millions; they were taken up and sent to England; they were put in the coffers of the East India Company, and every one of those coins of gold and silver bore the stamp of Empires that were dead before Christ came on earth,—bearing the imprint of the government that was not only dead but forgotten, bearing the inscriptions that had required scholars to decipher and explain them, and yet every one of those coins, gold and silver, had an absolute and determined value that day in London, as well as the British sovereign which the hour before had dropped from the Royal Mint. I would like some modern Greenbacker to have appeared in London that day with the Macedonian paper money of Alexander the Great. [Great laughter.]

Away down in our country, where I came from, we trade in lumber a great deal. I happened to be speaking to commercial gentleman in Maine, and I asked some Greenbackers whether they would like to send lumber out to Buenos Ayres and sell it for greenbacks.

GREENBACKS ARE PLENTY OUT IN BUENOS AYRES.

They have greenbacks there, and they are only worth 2½ per cent on the dollar. Buenos Ayres gold, and Bolivian gold, and Venezuelan gold, and the gold of the Patagonian Government of South America is as absolutely good as the gold of the United States and Great Britain.

The old fashioned greenback I hold in my hand has on its face a specific and absolute promise to pay; it says "the United States will pay the bearer twenty dollars." We had tried the notes at the beginning of the war, and we found, owing to the exigencies of the campaign and the doubts and uncertainties of the war, we might not be able to keep that promise, and when we came to issue the greenback we didn't say we would pay on demand. We said the United States will pay, and that meant that the United States would select its own time,—when it was suffi-

ciently out of trouble, and dangers, and tribulations of the war—and we did get out of it, and we got out of it by the virtue of the greenbacks. The war closed, and one year, and two years, and three years, and four years went by, and five years, and six years, and seven years, and eight years, and nine years, and ten years, and when we got to the tenth year we said these ought to be settled, and we said the tenth year after the war, four years hence, on the 1st day of January, 1879, we will pay these greenbacks in coin to whoever wants it, next New Year's Day, and the United States is going to keep that promise. [Applause.] And then all of you of every community, you can get your greenbacks redeemed; you can get your coin for greenbacks whenever you want it. But a thing you can get for the asking you don't want. If you couldn't get it, you would be very uneasy about it. That is always the case. The moment it is certain, you don't want it, the moment it is doubtful, you do. And it is just as inevitable that the United States will be able to sustain herself in

THE MATTER OF REDEMPTION NEXT JANUARY.

The Greenback party do not propose, as I said, to go beyond the greenback in the new issue—that is equivalent to this, or reads like it, but that is all the same story. They do not propose to issue greenbacks that the United States will promise to pay.

When the Government promised to pay \$20, they promised to pay exactly \$20 like that, a defined and well understood thing, as much as if you had agreed to pay a man ten bushels of wheat or two barrels of pork, and of course when a man talks about making this \$20 by saying "this is \$20," he is talking in the language of idiosyncrasy, lunacy, or childhood. You cannot argue with him; he is not within the domain of argument. Argument implies certain well-defined terms,—certain terms,—certain conclusions that are drawn according to certain rules of legitimate argument, but this term tramples on the whole of them, and any man who really says that he believes it is too far gone out of his right mind to be admitted to any place in the world outside of our insane asylums. If by saying "This is \$20" would make it \$20, there would be no longer any use of stopping the money-making here. What is the use of making it \$20 when you could make it \$50 just as well, or a hundred? Why waste both sides of it? You might make this side \$1, and on this \$100; or put \$1,000 on this side of it and \$100 on this. If you want to pay a man \$1,000 put out the thousand dollarside; if you want to pay him \$100 turn this side up. If you want to pay him \$1,100 let him take both sides. You

MUST MEET NONSENSE WITH NONSENSE.

You cannot argue in the domain of good, strong common sense. The Greenbackers, I know, are in the habit of deluding themselves and trying to delude others with the belief that the United States cannot resume. That there is only two hundred and five millions of coin and three hundred and forty-six millions of greenbacks, and how are you going to redeem three hundred and forty-six millions of greenbacks with two hundred and five millions of coin? They go on the presumption that on the first of January morning every gentleman that has a greenback will be at the treasury door of Washington asking for its redemption. Well, they won't be there, more than half of them. There was—down in the city of Portland—a hard-money Democrat arguing with a soft-money Democrat, and he brought up this same difficulty, and the old hard-money Democrat said to him, "You are an old fool," putting a d— before fool. He said to this man, "There are 40,000 people in the city of Portland,"

and he answered, "Yes." "Well, death is liable to fall upon all some time or other, and each one will want a coffin. Do you keep 40,000 coffins on hand stored away?" [Laughter.]

Well, there is another kind of paper the United States does not issue, but becomes responsible for it.

A NATIONAL BANK NOTE.

You say you would just as lief have National bank notes as greenbacks. Why National bank notes are not legal tender at all. You say it is just as good as greenbacks, because the United States has written in front of that word, "This note is secured by a deposit of the bonds of the United States in the Treasury at Washington," and if the bank that issues it does not pay it, the United States will step forward to do that little job for themselves; that is the whole of it, and any five gentlemen, as I said before, that choose to establish a bank, are at perfect and absolute liberty to do it. Senator Thurman said that this was a "monopoly." What schoolboy told him so? I have always supposed a monopoly was where one man enjoyed a thing to the exclusion of others, or where one class enjoy anything to the exclusion of the rest of the community. Does that apply to the National Banks? Are National Banks in the hands of any particular men?

The United States invite you to establish as many National Banks as you please with just this one condition, that you shall not go to banking unless you deposit 10 per cent more of the bonds than the amount of notes you intend to issue. "But," says my Greenback friend, "you get double interest." Well, is that all? Only double? The old State banks used to get four and five times that out of nothing; now you say the National Banks get double out of something. That is a fast increase for good. But one story is always good until the other is told, and this amount of double interest on the part of National Banks is a very good story until the other side is heard. The accusation is that those who establish the National Banks put bonds in the treasury and get interest on those bonds, and then they get the interest that comes from loaning this money out to the community, and the Greenback demand is, —if I state it incorrectly I will ask any gentleman in the audience to correct me,—the Greenback demand is that the \$320,000,000 of National Bank notes shall be retired, and that greenbacks shall be issued instead of it; and that with these greenbacks a certain amount of bonds of the United States shall be taken up and canceled, and thus the interest ceases, and that goes for the benefit of the public. Now, I propose to show that that policy, if were practicable, would be a net loss to the people of this country. I meet the Greenbacker right there, and I propose to show him that his policy, if it were practicable, would be an absolute net loss to the people of this country. Now, the bankers and National Banks pay larger taxes than any other class of property in the United States. I want to repeat that there is no class of property in this country that pays so large a tax as the National banks. They have 320,000,000, or, to be precise and correct, 322,000,000. They last year paid \$9,200,000 to the States and counties where they were located, and they paid \$7,300,000 to the National Government; that makes \$16,500,000 which the National Banks paid in Taxes.

NOW STICK A PIN THERE.

Sixteen and one-half millions. Now we will suppose you break them down, call in the circulation, and issued 322,000,000 of greenbacks, and take up that amount of Government bonds, and the only kind of bonds you can buy at par, and I will admit, for the sake of the argument, those you could buy, would be the 4 per cents. All the rest you

would have to pay a premium for ; so the best you could do would be to destroy that amount of 4 per cents. Well, supposing this was done. What is the interest on \$322,000,000 United States 4 per cents? It is \$12,880,000, and you would have stopped that amount of interest. You would have stopped, then, that amount of interest on the bonds, and you are getting \$16,500,000 of taxes from the National Banks. Can you figure out where the great gain is there? It seems to me the people of the United States would be the losers of more than \$3,500,000 by that plan, if it were to be carried out. But it could never be carried out. The monopoly of attempting to issue this double elastic, interconvertible, double backward somersault greenbacks, do you suppose any man is going to give up his bonds for them—promises to pay nothing, at no time, to no one? They would realize, in a very large degree, St. Paul's definition of faith, "the substance of things hoped for, the evidence of things not seen." Yet if you go to carry this out,—if you go to carry out the whole scheme,—it would result in a dead loss to the people of this country, as I have said, in the sum of between \$3,000,000 and \$4,000,000.

I remember an old gentleman in my State used to deal heavily in timber land, and if he had two men dickering for either piece and offered a price for it. He would offer one price for "wild cat," that is Michigan money, another price he would offer him in "Red Dog," that is Ohio currency; the third offer; if he would take it in counterfeits on good banks East. When gentlemen talk of destroying the National banks, they had better consider what it was the National banks took the place of. The old State bank of Illinois will not soon be forgotten. I passed a National bill in Frankfort-on-the-Main, just as readily as I could in Chicago. They are good the world over.

SILVER CERTIFICATES.

This is a silver dollar. A man is not very rich if he has got as many as he can carry, and yet to favor and give it all the chances which it possibly could have, the United States says that any man who has as many as \$10 may deposit them in the Sub-Treasury of the United States anywhere and get a certificate for them. I have got one of them here [holding it up]. The front of it reads as follows: "This certifies that there has been deposited with the United States Assistant Treasurer at New York city ten silver dollars, returnable on demand to the bearer of the certificate." There are three kinds of paper that are coming into use. I hold them in my hand—greenbacks, National Bank notes, and silver certificates. If anything is owing you, which would you prefer to be paid in? Do you have any choice? Is there no difference in any of it? All of you say no. Yet all of these are not legal tender; and yet you would just as lief have them as those which are legal tender, and you, my Greenback friends, sleep on that to-night, that there are three kinds of paper currency in this country to-day, and two of them are not legal tender. Just one is legal tender—two are not legal tender. But they have got value behind them. That is what makes them legal tender. It is not the "substance of things hoped for." It is the "evidence of things seen." Now, the 1st day of January next when you come to the day of redemption in greenbacks, you may strike the legal tender principle out of it, and you will not need it. If you can get the amount of your pieces of money on demand, it don't make any difference to you whether it is legal tender or not.

THE LEGAL TENDER

in paper is the force part,—the part which is put in to make it good, or money that you have got that is absolutely redeemable on demand. It does

not make a particle of difference to you whether it has got legal tender in it or not, but you prove that by saying, in my presence, that you would as lief have the debts paid in the two pieces that are not legal tender as in the one that is,—just exactly,—and I want the American people to get that idea in their heads, and there will not be an inch of ground from the lakes north, from the gulf south, from ocean to ocean, for a Greenbacker to stand on. What we want in paper is "value."

The United States is borrowing money at 4 per cent. Mark that, Greenback friends. We are the only nation on this globe

THAT CAN BORROW MONEY

at 4 per cent., Great Britain alone excepted, and we are not paying any more than 4 per cent. My uneasy friend over there, say he buys and takes the 4 per cents and puts his money in them. Now we have my other friend here, who has been industrious for a good many years, and saved up \$10,000, and he looks around for a good investment, and you find you are only going to get \$400 a year out of it. It don't look very big. You say it looks like a small interest out in the country, but our conservative friend agrees to stand it. But right next to him sits a man with \$10,000, that proposes to go in and buy notes and shave paper. He can get 10 per cent. on that. He can get \$1,000 a year on his \$10,000, and he can take his chances against the bonds only getting \$400 a year. Now this man takes the \$10,000 and goes into the business of shaving notes, and right in Chicago he gets \$1,000 out of it. Does he pay \$600 of that for taxes here? He ought. He ought to pay this \$600 before he is on the same level with my conservative friend. I don't know much about your community, individually, but down here on the beautiful prairie, where sin has not entered, and guilt is not known, that the moment a man had a thousand dollars, he goes to the assessor and says, put this in. [Great applause.] On the contrary, would not the man who made the \$1,000 out of \$10,000 pay for his taxes \$75 or \$100 or \$150, and then he would have \$850 or \$900 still of income out of that. But the Government bond man says, why, the Government has taken the tax out of his bond in advance. The Government takes the taxes out of these by reason of its little rate of interest. And which of these two men paid the taxes, the man who agreed to take \$400 on his \$10,000, or the man who takes his chances of making \$800, or \$1,000, or \$1,200 possibly, and pay out of that \$75 or \$100 taxes? Take a uniform and public security. Take the Chicago City 7s—take the railroad bonds, and take any form of security that are 6 or 7 per cent. Let him invest his money in United States bonds and let him buy the 7 per cent bonds of the city of Chicago—a good security—a well-known strong security—he will get \$700 interest; and he ought to go up to you. Assessor and pay \$300 of that over to place himself on the same basis before he can say to the government bond men "You are not paying any taxes." The government of the United States has not permitted bonds to be taxed. Suppose you could by proclamation to-morrow say that the ten millions of bonds of the United States shall be taxed, of course the very moment you get that the government ceases to get money at 4 per cent. It would have to pay 6 right off; that would be the result. At one jump you

WOULD INCREASE YOUR INTEREST

50 per cent. over what you have to pay now. You can get money at 4 per cent., then you would pay 6. Very well. Do you think you would get the bonds taxed? Is it your opinion that, were any

one to proclaim to-morrow that the bonds should be taxed, you would get them taxed? Do you think there would be a long procession all over the United States of the people who hold them coming up with their little tin trunks under their arms that contain them to the assessors and proclaim, "We have got 'em?" You know how those bonds are kept. As I said in a letter tin trunks with patent locks—they are the easiest things in the world to keep out of the way of the tax-gathers. Put them in your wife's bureau drawer, they are hers, or some a son left when he went out to Colorado to mine, or they belong to your brother out in California stock-raising, or some property of your brother who is dead, and they belong to his widow who is in Europe educating her family—there is an infinite number of dodges; you wouldn't get them; the only certain result you would get would be an increased interest on the bonds of the United States. Why, only yesterday, apparently,—thirteen years ago this month,—the interest on the bonds of the United States was \$144,700,000 a year, until this very year in which we now are that interest has been reduced to \$97,000,000. There is only \$48,000,000 taken off.

If those uneasy greenback gentlemen will keep themselves quiet in the rear, and not disturb the credit of this Union, every bond of the United States,

INSIDE OF THE NEXT FIVE YEARS,

will be changed into a 4 per cent, and \$30,000,000 more will be taken off our interest—and then we cut our interest down to a little over \$60,000,000, with a constantly increasing population, and a constantly enlarging wealth, and constantly diminishing debt, and the burden on one man can be easily borne by two, and is not felt by ten. If we in the country but allow ourselves to follow the common path of common sense and common honesty—and common sense and common honesty always go together—always—if we do that, the finances of this country are in the strongest possible condition it is conceivable to be, and still it would not do to let the bondholders escape. You want to get a punch at them. It is amusing to hear these men discuss the bondholders. You would suppose they were a peculiar sect—set apart or foreordained from the foundation and predestined to be damned,—you would suppose that they were a sect that always remained just the same,—that the men who got the bonds the day they were sold hold them to-day,—they are all rich,—they are upon the same great mountain looking down on the rest of us in the valley, and making mouths at us, and we can't stand it any longer and we are going for them. That is about the idea; from which I undertake to say, Mr. Chairman, the rich men of the country are

NOT BONDHOLDERS AT ALL,

and especially that class of rich men that calls forth the anathema and hatred of the Greenback party. The Wall Street fellows like Jay Gould don't waste any of their substance in the riotous living of bondholders. Talk to them of 4 per cents, and they will show you a trick worth three of that. They don't have any money of that kind.

There is not a man here to-day that has got a policy of insurance that is not a bondholder. There is not a man in this assembly who has got his life insured that is not a bondholder of the United States. Those who have money in savings banks are also every one of them interested in the bonds of the United States. Strike them all down. They have got no souls to be saved or lives to be regarded—let's go for them—squench them—destroy the bonds; let the man who has an insurance policy on his life, or on his house, or on his ship at sea, or on any other form, be ruined if you

can,—and let me tell you while you are ruining him, you are not going to get the first lick at the bloated capitalist of this country—that seems to call forth the wrath and indignation of the Greenback party—not one. There never was a time in this country when a large amount of let-alone-activeness was more needed than just now. There never was a time in this country when all the people of it were ready to begin on

A STRONG CAREER OF SOLID AND ENDURING BUSINESS.

as to-day. Yesterday a gentleman of the greenback persuasion asked me why it was the factories were all stopped, and why it was the channels of business were still dull. My answer was that the only thing to-day that prevents this country bounding forward in a career of business prosperity of which we have had no parallel in this country, is the impending danger of a change of the value and volume of the currency. [Applause.] There is not a woolen factory in the East to-day that dare to buy the crop of next year's wool, or engage to buy at any given price. There is not a cotton factory that dare to lay in a supply beyond what they need from day to day. And the business of the country to-day, by reason of that contingency, is going on in a hand-to-mouth style, living from day to day on the shortest possible expenditure that may possibly be made for supplies.

WHAT WE NEED IS CONFIDENCE.

These gentlemen tell you that all our troubles came from contraction—that the Republican party contracted the currency. That is a flight of imagination. So far from that being true, I declare that there never was a time during the War or after the War that there was as much paper money afloat as there was the day the panic struck you, on the 18th day of September, 1873. I repeat that there never was so much as there was on that day. You know how the Greenbackers would make it to-day. They tell you that the seven-thirties—one series of them were legal tenders—and that the Republican party retired them into long bonds and 6 per cent. compound interest notes to the amount of \$180,000,000. They tell us a large amount of contraction came from retiring these two kinds of notes and putting them into bonds. Well, do I understand from that that they would have considered it a wise policy for this government to keep paying 7 3-10 per cent. interest on two hundred millions, and on the 6 per cent. bonds of one hundred and eighty millions, while they could borrow money for 4 and 4 1/4 per cent. for the sake of calling it currency. That is sublime nonsense. My dear friend, every one of these 6 per cent compound interest bonds, every one of these 7-30s. was exchanged for 5, 4 1/4, and at present 4 per cent bonds. They are all in this country to-day. If these gentlemen are anxious about the

CONTRACTION OF THE CURRENCY

let me say for their consolation that these bonds are worth just as much as they were, and the credit of the United States is so good that to-day the same bond will go at 4 per cent interest that then went at 7 3-10, and is worth just as much. If he fears that the currency has been contracted, let me point him to the fact that every one of those bonds is, or might have been, paid off. All these bonds are just as valuable as they were, exactly. The trouble now is just the same as it was then. When the 7-30s were out the trouble was the same then as it is now. When the 6 per cent. bonds were out, it was the same then as now. The trouble all the time was not in getting the creditor to take them for the debt—the trouble was in getting the bonds. That is what's the trouble to-day. You can't talk about the contraction of the currency.

I would like to ask any gentleman here what it is in the national debt or in the taxes raised to pay its interest that distresses him? I do not ask the question oratorically. I ask it for an answer. If there is any one in this vast throng that can tell me I would like him to now. What part of the tax laws of the United States Government, levied and assessed to maintain the public credit, to pay the interest on the public debt, and to gradually discharge its principal—what one of these taxes oppresses you? Voice—[“It is on whisky and tobacco.”]

It is true we have raised a large sum out of

WHISKY AND PATENT MEDICINES,

but do you think it would be a good thing for the credit of the nation to sacrifice its honor and good name in order to have whisky cheap? We have raised a good deal out of tobacco and cigars, but do you think it would be best to throw away our National honor and our good name, to the world, for the sake of having a little cheaper patent medicine—cheaper cigars?

I ask again, what single tax on any article that goes into the necessities of life, in your homes and houses, and your domestic economy,—what single one is there that oppresses you here in Illinois? We have a tariff that raises \$100,000,000. Do you want it destroyed? Is there anything in that, if destroyed to-day, would help your prosperity? Illinois is the fifth manufacturing State in the Union. [Applause.] Is there any man in this crowd who, if he could have a sponge handed to him with which he might wipe the debt out of existence, would he dare to do it?

Would any result come to him, or to his people, or to his State, that would compensate in any degree for that vast destruction of national faith and honor? [Applause.]

WHAT WOULD ILLINOIS GAIN

by paper money? If there is any man here who thinks Illinois would gain anything by a large increase of paper money I would like to see him. Is there any man in this vast throng that believes in his heart that a single interest in Illinois would be promoted by an increase in the currency in this country to-day? I do not see how this could help you. The taxes which are laid on the people of Illinois

DO NOT EFFECT THE ESSENTIALS OF LIFE.

bread and meat. There is not a man here that ever sold a bushel of grain or barrel of meat in this State except on a gold basis. You can't sell it any other way. You can't make a trade in breadstuffs or meat to-morrow in Chicago without knowing beforehand the prices and state of the market at Mark Lane at Liverpool. If you have got your produce rates they are rated by the prices which are in Russia and other nations, and I undertake to say that to-day the manufactured articles in the East for which the pork and flour are exchanged have dropped more heavily than pork and flour themselves, and I undertake to say, in reference to cotton goods and woolen goods, that you never saw a time in Illinois when a barrel of flour would buy as many of them. [Applause.]

My friends, we have got to-day so we are on a foundation of the world's money, and we are buying to manufacturers for export. We can compete with the old world if you will give us the same currency as the old world.

WE ARE A SMARTER PEOPLE

than the rest of the world,—a greater people,—we are a more energetic, enterprising people. We are

to-day running a race with all the great nations in Europe in fabrics. We are selling cutlery in Sheffield, cotton goods in Manchester, and watches made at Elgin Ills., in Geneva. This is to your benefit. There is not a single fabric made in the Eastern, Middle, or Western States, that goes to favoring export, that don't benefit every man, and if we stand on the money basis of the world we can compete with the rest of the nations of the old countries, and be a great manufacturing country. And our wealth comes to us from the four quarters of the globe. Keep on this gold basis, and there will be a continual tendency to decrease the price of manufactured articles more rapidly than to decrease the value or price of agricultural products. The other day I saw at Ottumwa a great pork packing establishment in process of erection. A gentleman told me it was being put up by an English company,—large enough to pack 3,000 hogs a day,—there were to lay in 100,000 tons of ice for summer packing,—they are to run the year through,—they are to pack the meat for export for the European people. Do you suppose that the English company that is attracted by your great prosperity and great resources to make investments, cares anything about what you are going to do about Greenbacks? They are going to sell their meat abroad for gold. It will be furnished on a gold basis, no matter in what kind of rags you insist in being paid. Do you think, when you are compelled to complete prices with the world—do you think when you are compelled, as you are, to send goods all over the world—you will be able to take the prices in the world's money, or do you think it is a big thing to go and say, “Let's play we are getting more?” Illinois products to-day can be found in every Kingdom in Europe, and let me tell you you can never traffic with those countries as well as when you are on the same basis of currency with them. Never! We stand to-day fronting the great Democratic party, North and South. This Greenback party is only a flame of a day. We hear a voice from Iowa and Ohio, but they got us a little foul down in Maine. We are like Lyman Beecher said in the temperance reform, we will stand back, spit on our hands, go in and win next year. We come to the front on these issues. We come to fight the Democratic party, and the Democrats that are right on the sound money must rest their weary souls with the Republican party, for the Republican party is the only National party in this country. I have been discussing only the financial question. I have said nothing about any other question. The Republican party is to be trusted and must be trusted in the conservation and preservation of all that was fought for and all that was gained in the war. I say I do not care to dwell on that issue, but there is one point on which I never will, and never shall, and do not propose to keep quiet, and that is there are in the Southern States to-day thirty-five representatives in Congress, and thirty-two votes in the Electoral College, but the colored population of those States have not any choice in the selection of their representatives. I want them as free to choose as the people of Illinois, and to exercise the same freedom in the choice of their representation, and have the same rights as the white man. They have been denied these rights, but we will never stand that. We shall maintain the rights which we earned them. By these great deeds we shall stand or fall, Mr. Chairman, on this issue before the American people, there is no such word as fail, and victory is already upon us and is at this moment in our grasp.